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HON. WHITMAN L. HOLT

UNITED STATES BANKRUPTCY COURT

EASTERN DISTRICT OF WASHINGTON

11 In re:

12 EASTERDAY RANCHES, INC., and
13 EASTERDAY FARMS

14 Debtors.

Chapter 11

Lead Case No. 21-00141 WLH11
Jointly Administered

**TYSON'S STATEMENT OF POSITION
REGARDING CASH COLLATERAL
MOTIONS**

15
16 Tyson Fresh Meats, Inc. ("**Tyson**") respectfully submits this statement of position with
17 respect to final approval of cash collateral and the proposed cash collateral Budgets as attached to
18 the *Supplemental Declaration of T. Scott Avila in Support of Debtors' Omnibus Reply in Support of*
19 *Cash Collateral Motions* ("**Avila Supplemental Declaration**") [Doc 414].

20
21 First—notwithstanding anything in the Cash Collateral Motions or supporting documents to
22 the contrary—Tyson advances may only be used to pay postpetition feed suppliers and other Tyson-
23 approved cattle-related expenses that are in accordance with the Ranches Budget (attached as
24 Exhibit A to the Avila Supplemental Declaration) and in accordance with the Court-approved Cattle
25 Term Sheet and Settlement Term Sheet.¹ As noted in the Debtors' Omnibus Response, the Debtors

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28 ¹ Capitalized terms not otherwise defined in this statement of position retain the definition given to them in the
Debtors' Omnibus Reply in Support of Cash Collateral Motions ("**Debtors' Omnibus Response**") [Doc 297].

1 must hold and reserve any portion of the Tyson advances that is not used to pay for postpetition
2 deliveries of feed and feed-related items pending an analysis of the feed on hand on the petition
3 date, presumably the feed delivered prepetition by third parties. Failure to use the Tyson advances
4 for those purposes would violate the terms of the Cattle Term Sheet and the Settlement Term Sheet.

5
6 Second, Tyson has serious reservations regarding Farms' Wheat Plan. Tyson is not
7 convinced that the Wheat Plan is necessary or appropriate to maximize the value the Debtors
8 receive from sale of their real properties. Notwithstanding, Tyson understands the Wheat Plan is to
9 be funded entirely from the Farms Budget and Farms' cash collateral. If, as it appears, the Wheat
10 Plan relies exclusively on Farms' cash collateral and not on Ranches' cash (whether or not it is cash
11 collateral), Tyson takes no position with respect to the Wheat Plan. However, if any portion of the
12 Tyson advances or cash collateral from the Ranches' estate is used to fund the Wheat Plan, Tyson
13 objects to such use.
14

15 Dated: March 22, 2021.

16 Respectfully submitted,

17 /s/ Alan D. Smith

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